

Idaho Legislative Audits
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Idaho Board of Medicine

Management Report on Internal Control

Issued: September 12, 2003
Fiscal Year: 2001 and 2002



EXECUTIVE SUMMARY LEGISLATIVE AUDITS

BOARD OF MEDICINE

PURPOSE AND SCOPE. In planning and making our audit of the statewide basic financial statements, we performed certain audit procedures to evaluate the effectiveness of the Board of Medicine's internal control design and operation. Consequently, the limited scope of our procedures does not allow us to give an opinion on the Board's internal control system. Accordingly, we do not express an opinion or ensure that all instances of internal control weaknesses were disclosed.

Our purpose was to indicate where internal controls could be strengthened to help ensure accurate financial statements and data. This evaluation, together with other evaluations and various audit procedures applied at other agencies, allows us to express an opinion on the statewide basic financial statements prepared by the State Controller's Office.

CONCLUSION. We noted no matters involving the internal control over the Board's financial reporting and its operation that we considered to be material weaknesses. However, our consideration of the internal control over financial reporting would not necessarily disclose all matters considered to be a material weakness.

FINDINGS AND RECOMMENDATIONS. There are no findings and recommendations in this report.

PRIOR FINDINGS AND RECOMMENDATIONS. The prior audit report contained one finding and recommendation related to improvements to the receipting process to ensure compliance with depositing laws and to improve the efficiency of the system. The Board's staff made procedure changes in the receipting process to comply with the recommendation. Internal controls were strengthened, and other changes were made to eliminate unnecessary work. Status: **CLOSED**

AGENCY RESPONSE. The Board has reviewed the report and is in general agreement with its contents.

FINANCIAL SUMMARY. The Board is funded from license, registration, certification, and renewal fees received from medical professionals. Other miscellaneous sources of revenue include endorsements, verifications, reinstatements, and sale of printed materials. The funds are used entirely for administration of the Board's responsibilities. Although an opinion is not given on the financial data presented in this report, one is given on all State funds in the statewide *Comprehensive Annual Financial Report* which includes the financial data presented here.

Board of Medicine - Financial Statement

<u>Fund 0229</u>	<u>FY 2001</u>	<u>FY 2002</u>
Beginning Fund Balance	\$994,396.95	\$1,031,536.12
Receipts:		
Licenses and Fees	1,121,129.50	1,055,708.57
Other Receipts	<u>32,423.03</u>	<u>35,016.94</u>
Total Receipts	<u>\$1,153,552.53</u>	<u>\$1,090,725.51</u>
Total Funds Available	<u>\$2,147,949.48</u>	<u>\$2,122,261.63</u>
Less:		
Personnel Costs	\$459,514.00	\$550,822.85
Operating Expenditures	649,323.36	589,546.21
Capital Outlay	<u>7,576.00</u>	<u>30,810.05</u>
Total Disbursements	<u>\$1,116,413.36</u>	<u>\$1,171,179.11</u>
Ending Fund Balance	<u><u>\$1,031,536.12</u></u>	<u><u>\$951,082.52</u></u>

OTHER ISSUES. We discussed other, less important issues which, if changed, would improve internal control, ensure compliance, or improve efficiency.

This report is intended solely for the information and use of the Board of Medicine and the Idaho Legislature and is not intended to be, and should not be, used by anyone other than these specified parties.

We appreciate the cooperation and assistance given us by the executive director, Nancy Kerr, and her staff.

QUESTIONS CONCERNING THIS DOCUMENT SHOULD BE DIRECTED TO:
Ray Ineck, CGFM, Supervisor, Legislative Audits

A copy of the complete audit report may be obtained through the Legislative Services Office, Legislative Audit Division, State Capitol Building, P.O. Box 83720, Boise, Idaho 83720-0054, or by calling 208-334-3540. Please reference Agency 425/Report IC42502.
